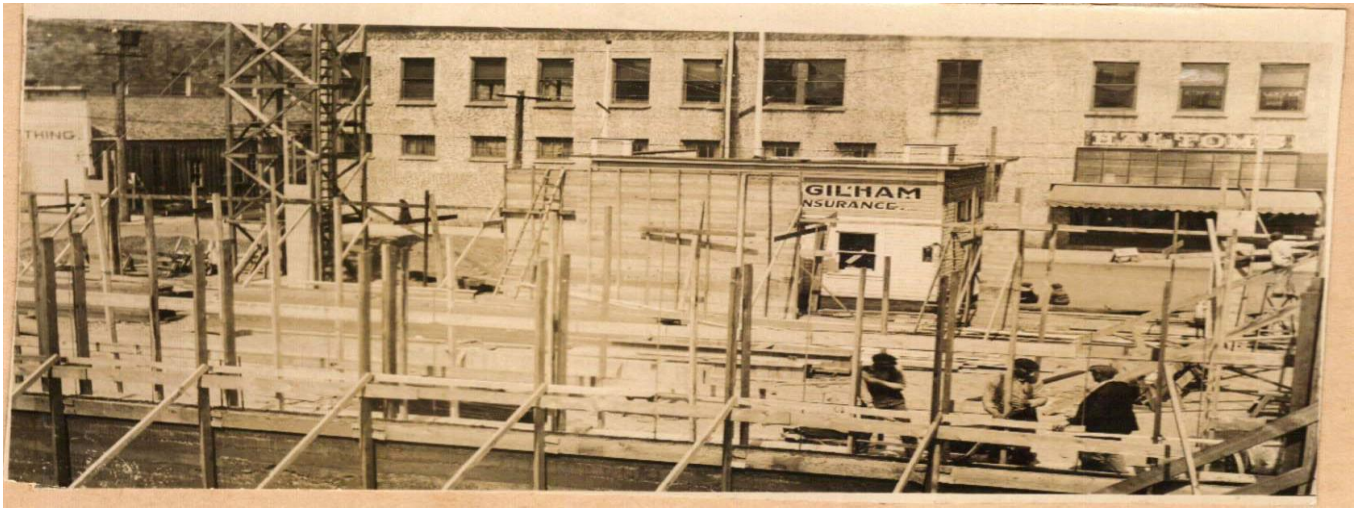


Chapter 10: Economy (State Goal 9)



Economic Background

In the nineteenth century, the first post office was opened and the town named Tillamook became the county seat. During the late nineteenth and early twentieth century, business in Tillamook was carried out along the streets abutting Hoquarton Slough, where boats carrying supplies could land to load and unload cargo. These businesses included commerce and the lumber mills running alongside the slough. In 1931, the Highway 101 Bridge crossing the slough was built. Tillamook was developing as the regional economic hub.

Tillamook's economy is part of a larger regional economy for central Tillamook County. Tillamook is the largest city in Tillamook County and the county's regional commercial, industrial and governmental hub. The regional economy is dominated by local farms and dairy, the Tillamook County Creamery Association, timber production, government services, and tourism.

Highway 101 provides a heavily used route for tourists, a connection to other coastal communities and a strong link between the City and the Port of Tillamook Bay.

The Port is comprised of a number of facilities beneficial to the City: industrial park, airport, Tillamook County Sheriff's Department and Jail, Oregon State Police, Camp Tillamook, the Tillamook Air Museum and the Port of Tillamook Bay Railroad.

Various areas of the Port have been occupied by businesses over the years (e.g., lumber manufacturing, light industrial manufacturing, etc.). Today the Port continues to be a vital factor in the local economy. Following the devastating loss of the Port of Tillamook Bay Railroad during the storms of December 2007, and with the Port unable to garner enough support to repair the railroad to pre-disaster condition, the Port decided to construct alternate, capital improvement and public works projects to provide continued economic development opportunities to the Tillamook community.

Businesses in the City cater to City residents, the County and beyond, and they interact with one-another. If the economy in Tillamook is to develop, it is critical that Tillamook's economy evolve and keep pace with predominant market trends.

Tillamook's role as a regional center is important for the region's economy. It is a regional center for government services – the county seat and the home of the Tillamook County government. The City of Tillamook is additionally the site of various other district offices – the Bureau of Land Management (BLM) District Office, the Oregon Department of Forestry, the Oregon Department of Fish and Wildlife, Oregon State University Extension Services Office, the Northwest Education Service District, the State Senior Services Division, the County's main Post Office and State Adult and Family Services Division.

Tillamook is also a regional center for a variety of recreational activities. It is the home of the Tillamook County Fairgrounds, the Pioneer Museum, the main branch of the County Library and the Tillamook Bay Community College. Tillamook Family YMCA.

Tillamook is also a regional center for health care, housing the Tillamook Regional Medical Center, the Tillamook Health Department, Tillamook Family Counseling Center, and several retirement and assisted living communities.

Outside of town to the north is the Tillamook County Creamery Association's Cheese Factory, which attracts up to a million visitors a year from around the world, and distributes the cheeses, made at the Creamery, nation-wide.

The Cheese Factory and the City of Tillamook partnered together to develop “Branding” for the community. The brand provides a unified vision for how Tillamook markets itself to improve and maintain a healthy economy.

Popular tourist destinations are located inside and outside of the City. Those destinations located outside the City are listed in Table 11-1. Inside the City Limits, there are also a number and variety of destination eating and drinking establishments.

In terms of industry and in addition to the Port's Industrial Park and the Creamery, Werner Gourmet Meat Snacks, Hampton Lumber, Pelican Brewery and a couple of trucking distribution facilities are located inside the city limits.

Table 11-1: Tourist Destination Attendance 1995 – 2010

	<i>Tillamook</i>	<i>Latimer</i>	<i>Tillamook</i>	<i>Tillamook</i>	<i>Cape</i>	<i>Cape</i>	<i>Oceanside</i>
	<i>Cheese</i>	<i>Quilt</i>	<i>Naval</i>	<i>County</i>	<i>Lookout</i>	<i>Meares</i>	<i>Beach</i>
	<i>Factory</i>	<i>Museum</i>	<i>Air</i>	<i>Pioneer</i>	<i>State</i>	<i>State</i>	
			<i>Museum</i>	<i>Museum</i>	<i>Park</i>	<i>Park</i>	
1996:	814,535	6,000	81,650	16,708	-	-	-
1997:	878,295	6,561	88,131	16,308	-	-	-
1998:	906,208	5,136	85,582	15,356	184,620	194,910	368,544
1999:	900,666	5,139	81,478	13,426	186,100	158,940	350,238
2000:	917,185	5,051	85,361	13,289	188,536	151,288	367,066
2001:	1,021,633	5,124	76,827	12,575	187,560	183,924	359,128
2002:	969,587	6,300	75,212	11,327	205,840	188,022	366,958
2003:	966,980	7,105		11,408			
2004:	976,748	-		10,784			
2005:	944,497	6,475		9,917			
2006:	943,668	6,630		10,332			
2007:	978,146	6,968		10,827			
2008:	916,395	5,826		10,736			
2009:	975,548	7,122		9,000			
2010:	995,534	8,128		10,645			

Source: Tillamook Cheese factory Visitors Count, Latimer Quilt Museum Visitors Count, Tillamook Naval Air Museum Visitors count, Tillamook County Pioneer Museum Visitors Count, State Parks Visitors Count, 2002

The major events in the community each year that draw tourists from everywhere are located at the County Fairgrounds and include the June Dairy Parade and Rodeo in June, and the Tillamook County Fair, with the Pig and Ford Races, in August.

Tillamook City is the service center for an approximate population of 25,000. This lends tremendous potential for commercial growth, which in turn will provide numerous economic

opportunities. The importance of Tillamook as a commercial center to its in-county residents has a strong impact on the community's growth and development.

As the commercial center for the County, Tillamook is expected to retain its present relationship between employees in commercial activities and the associated acreage requirements to fulfill those activities. Any additional commercial expansion due solely to the tourist related activities, largely remains an unknown quantity at this time.

The statistics above indicate modest growth in the tourist industry outside of the Urban Growth Boundary and a minor decrease in tourism within the City Limits. Because of the proximity of Tillamook to the Portland Metropolitan area, no overall significant decrease is anticipated.

The largest employers in Tillamook are listed in Table 11-2:

Table 11-2: Major Employers in the City of Tillamook		
Employer	Location	Employees
Tillamook Regional Medical Center	West side of town, Third Street	400
Fred Meyer	North side of town, Hwy. 101	300
Tillamook County Personnel	Tillamook Downtown Town Center	250
Hampton Lumber Company	East central in town	150

The largest employers outside the City are listed in Table 11-3.

Table 11-3: Major Employers outside of the City of Tillamook		
Employer	Location	Employees
Tillamook County Creamery Association	North of town, Hwy. 101	400
Tillamook County Smoker	North of town, Hwy 101	200
Trask River Wood Works	South of town, in POTB	101
Nestucca Ridge Storage	Southwest of town, in Pacific City	90

From Table 11-2, you can see that Tillamook Regional Medical Center is the largest employer in the City. Many privately owned organizations outside of the City Limits, as shown in Table 11-3 are also some of the larger employers in the region.

Table 11-4:	Countywide Non-			Farm	Payroll		Employment					
Year	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Non-Farm Employment	7,930	7,940	8,000	8,120	8,090	8,310	8,510	8,690	8,750	8,750	8,370	8,350

Source: Oregon Employment Department, U.S. Census Bureau

In Table 11-4, the number of County-wide non-farm jobs shown has gradually increased for the time period between 1999 and 2010. Employment in the retail/wholesale trade and service sectors of the local economy has grown both in actual numbers and in the relative proportion of total employment. This growth includes small-scale commercial infill utilizing vacant space in the downtown commercial area, and multiple use residential/office areas

There are approximately 3,100 jobs within the City. Table 11-5 indicates fifteen (15) major S.I.C. classifications of employment within Tillamook City with scales of operations ranging from a single employee on a standard city lot to two hundred employees on over 85 acres.

TABLE 11-5: 2005-2009 INDUSTRIAL & OCCUPATIONAL COMPOSITION OF TILLAMOOK

INDUSTRIES		
S.I.C. Classification	# of employees	% of Total
Health Care and Social Assistance	563	17%
Educational Services	434	13%
Retail Trade	398	12%
Accommodations & Food Services	315	10%
Manufacturing	231	07%
Public Administration	173	05%
Admin. Support, Waste Mgmt., Remed	145	04%
Other Services	140	04%
Professional, Scientific, Tech Serv.	138	04%
Transportation and Warehouse	129	04%
Construction	103	03%
Wholesale Trade	93	03%
Finance and Insurance	91	03%
Utilities	80	02%
Information	60	02%
TOTAL	3,093	93%

Source: U.S. Census 2010

Industrial Land Projection

Further analysis of the industries in the City reveals a wide range of activities with substantially differing land use needs. Only some of these industries are reliant on the land within the industrial sector of Tillamook.

The distribution of industrial activities throughout the City can be characterized as random at best. With the exception of Hampton Lumber, which owns over 87% of the industrial property within the City, industrial operations are scattered throughout the City.

The industries of lumber and dairy have in the past been sound bases for Tillamook employment. The Tillamook County Creamery Association continues to thrive with steady employment and consistently high production of the famous Tillamook Cheese. Hampton Lumber mill (inside the City Limits) has continued to have high productivity. Both, however, have shown through technology and consolidation, increased production without a significant increase in the labor force. Other food products important to this area are meat and ocean product processing industries. They have both had a steady growth in recent years. However, overall regional industrial and manufacturing employment has decreased over the past decades. This is a concern for a sound and fully developed economy.

In 2011, most of the people who worked within the City lived outside of the City Limits. Only 31% of the City residents work within the City Limits. The majority of the City's workforce commutes outside the City Limits for work. There are approximately twice as many manufacturing positions employing Tillamook residents that are located outside the City Limits in relation to the manufacturing positions within the City Limits.

While the growth of supporting industrial operations has been expected and is actively encouraged, established operations foresee moderate expansion of their respective activities.

According to information collected in the Tillamook Community profile, there are a number of small manufacturing companies here in the City, and twice as many manufacturing companies within the County. Overall though, the number of manufacturing businesses in the area (inside and outside the City) has continually decreased over the years.

The tourism industry has continued to increase with an accompanying increase in trade and services employment. Perhaps the most notable recent phenomenon in the Tillamook area has been the growth of a year-round tourist business. Formerly confined primarily to **only** summer months, tourism has increased in the other seasons as well.

Existing Land Uses in the 101 North Floodway

There are approximately twenty-one (21) flood prone businesses – Eight (8) restaurants, and thirteen (13) commercial retail and commercial service offices – and four (4) flood prone houses located in this 101 North area. Some businesses and homes have already relocated or elevated themselves and were not included in this inventory.

The acreages of the properties used by existing businesses on North 101 that haven't relocated or elevated themselves two (2) feet or more above the Base Flood Elevation (BFE), breaks down to approximately 15 (14.97) acres for restaurants, and approximately 25 (25.31) acres for other commercial retail and commercial services. Approximately 2 (1.64) acres are used by the residential structures. This equals a total of approximately 42 (41.92) acres that have the potential to be relocated onto higher ground.

The actual size of the commercial buildings and uses on each of the properties identified is much smaller than the total acreage and breaks down further to a total of approximately 9 acres of commercial structures. This means approximately 22% of the properties in the floodway are commercially operational.

Business Relocation from 101 North Floodway

For business relocation from 101 North, City staff conducted a citywide inventory identifying vacant lots, lots that potentially could be redeveloped from a non-conforming use to a conforming use or potentially could be redeveloped with greater intensity of use. City staff also identified parcels that have been 'for rent' for an extended period of time, and noted these areas as 'redevelopable'. The vacant and potentially redevelopable lands were identified by making observations from a vehicle on a block-by-block, parcel-by-parcel basis. The goal was to identify the amount of land available and the amount of land needed.

In 2009/2010, a study was completed identifying two key land need and (re)development issues facing the City as it works with local businesses and property owners located in flood-prone areas to develop the "Economic Opportunities Analysis, Commercial Receiving Site Analysis, and Flood Prone Areas Re-Use Analysis." The report identified:

- The potential for locations within the City of Tillamook or nearby to adequately receive businesses and property owners who choose to relocate away from flood-prone areas and provide suitable relocation opportunities for businesses currently within flood-prone areas; and
- The potential for the City of Tillamook and its community development partners to utilize vacated lands within flood-prone areas and identify opportunities for reuse of vacated flood-prone land in a way that would enhance the community.

The study analyzed four "receiving sites" for commercial viability, (re)development suitability, feasibility, likelihood for success, and reasonable accommodation of businesses seeking a new location out of flood-prone areas:

1. Highway 6 & Wilson River Loop Site (Receiving Site #1) – A 21-acre site along Highway 6 at Wilson River Loop Road that enables the largest aggregation of new and relocated commercial development within the UGB. We find the site, based on future market conditions and commercial broker input, affords the City the "lowest-hanging fruit" regarding a new node of commercial activity with significant commercial "gravity" for several different businesses.

2. Highway 6 & US Highway 101/Pacific Avenue Extension (Receiving Site #2) – A potential traffic reroute of Highway 101 at Highway 6 would create significant changes in commercial improvements should the alternative be selected and would become available once that intersection is re-worked. Right-of-way would replace the Mar Clair Inn and nearby commercial/restaurant improvements.

3. Downtown Tillamook (Receiving Site #3) – Downtown Tillamook West of Highway 101 between Front & 3rd Streets affords a number of redevelopment opportunities for relocating businesses. The majority of sites, however, have highly varied improvement values, highly varied access and visibility qualities, and unknown owner intentions with sites largely confined to single city blocks.

4. Port of Tillamook Bay (Receiving Site #4) – The Port of Tillamook Bay undoubtedly has numerous Greenfield and business park sites zoned for general industrial uses that could host various businesses. Due to the industrial restriction in the current zoning at the POTB, the pool of candidate businesses in existing flood-prone areas along north 101 that would conform to zoning at the Port is limited.

Two sites (Receiving Sites 1 & 2) were identified as offering substantial relocation potential given location and site suitability such that preliminary concept plans were created to illustrate potential development and redevelopment capacity, orientation, and access on-site.

All four of these sites are part of the study area of the Central Tillamook Region EOA.

While the study identified the Highway 6 and Wilson River Loop as the preferred site for relocating businesses outside of flood-prone areas, there may be broader benefits to locating these businesses in Downtown Tillamook, outside of the flood plain. In making decisions about encouraging businesses in flood-prone areas to relocate, the City should evaluate the community development goals that can be met through increasing development in Downtown, rather than at the edges of the City.

Implications of national, state, and regional economic and demographic trends on economic growth

National, State and Regional economic and demographic trends play a large role in determining Tillamook's economic growth. These include:

- Lingering effects of the national recession
- Growth of service-oriented sectors
- Lack of diversity in Oregon's economy
- Importance of small businesses in Oregon's economy
- Availability of trained and skilled labor
- Aging of the population
- Increases in energy prices
- Low wages
- Education as a determinant of wages
- Importance of high quality natural resources
- Projected employment growth

Economic Opportunities

Tillamook's community spirit and enterprise are displayed in two (2) murals, one (1) found in the City Hall and the other in the County Courthouse. The one located in City Hall is shown on the proceeding page. The murals were painted by Lucia White.



These murals are one example of many factors that influence Tillamook's potential for economic development: the murals highlight Tillamook's prominence in the history of the Captain Gray landing, part of the City's development and draw tourists to the area. This particular factor is a positive force for economic development, but some other factors limit the city's potential. By examining and comparing the main strengths and weaknesses, one can assess Tillamook's potential for economic

development and then adopt policies and take actions to enhance community strengths and deal with weaknesses. This type of "economic opportunities analysis" is required by state administrative rule.

In 2013, the City of Tillamook and Tillamook County worked together to develop a regional economic opportunities analysis (EOA).

The EOA's purpose is to consider economic opportunities for the entire Central Tillamook region, not only the economic opportunities of the City itself.

It is an analysis of the community's economic patterns, potentialities, strengths, and deficiencies as they relate to state and national trends consistent with the requirements of statewide planning Goal 9 and the Goal 9 administrative rule (OAR 660-009). A key

product of the EOA is recommendations about directions for future changes to economic policy or economic development strategies with two primary goals:

- Identify comparative and competitive advantages for economic development, with policy direction to capitalize on these advantages.
- Determine if there is enough land to accommodate twenty years of growth, between 2013 and 2033 and evaluate the existing employment land supply to determine if it is adequate to meet that need.

Certain portions of the Analysis were identified in this chapter as benefitting the City for economic policy development and land supply.

The City of Tillamook can play an active role in helping to guide the local economy so that it continues to support existing businesses and generate new activity. Goal 9 of Oregon's Statewide Planning Goals and Guidelines pertains to economic development. As identified in the EOA, the City fulfilled the following Goal 9 economic element requirements:

- Including an analysis of the community's economic patterns, potentialities, strengths, and deficiencies as they relate to state and national trends.
- Containing policies in this chapter concerning the economic development opportunities in the community.



- Supplying enough land to accommodate projected employment growth.
- Limiting uses on or near sites zoned for specific industrial and commercial uses to those which are compatible with proposed uses.
- laying a policy foundation that reflects the City's economic values.

Buildable Lands

In planning and zoning the City of Tillamook's land, the land used for business and industry for potential economic development is classified in two main categories: *commercial* and *industrial*. Commercial uses are those involving retail sales and services: restaurants, grocery stores, motels, offices, and so on. Industrial uses are those involving the manufacture, processing, or distribution of products: factories, mills, food-processing plants, etc. The industrial classification also includes wholesale storage and distribution facilities such as warehouses and shipping centers.

The buildable lands inventory identifies commercial and industrial lands available for development for employment uses within Tillamook. The inventory is characterized as supply of land to accommodate employment growth. Population and employment growth drive demand for land. The amount of land needed depends on the type of development and other factors based on analysis of data.

EOA Land Base and Inventory

About one-quarter of the commercial and industrial land in the Region (601 acres) is within the City of Tillamook's UGB. A majority of the land (nearly two-thirds of the industrial land in the Region (1,574 acres)) is within the Port.

After the redesignation of approximately 170 properties in the City, the results show that:

- About 14% (99 104 acres) of the suitable land in the region is within the Tillamook UGB.
- About two-thirds of the total suitable acres (67 acres) within the UGB are Industrial zones.
- The City has 29 acres of suitable highway commercial land with an additional seven (7) acres of highway commercial land that is constrained by the floodway, but can still be developed consistent with existing City regulations.
- The City has 140 acres in the residential mixed-use R-O zone, and the inventory considers eight acres available for commercial uses. The amount of land available for commercial uses could be more, but the R-O zones places limitations on commercial use.
- The largest employment site is outside of the City UGB and is controlled by the Port and contains an estimated 500 acres of suitable land. Less than half of that land is serviced at this time.
- Several other significant industrial sites exist in the unincorporated area outside the City UGB.

Redevelopment Potential

Overall, about 10% of the developed sites have high redevelopment potential, and another 19% of the developed land has little redevelopment potential.

Short-Term Land Supply

Employment land within the Tillamook UGB and industrial land at the Port account for the bulk and location of the short-term land supply. Exceptions to the supply are sites that do not

have services and cannot be serviced (at a reasonable cost) within a year.

Key Trends Affecting Employment Growth

Economic opportunities in the Region are a function of regional historical trends and future economic shifts and employment growth.

While nearly all sectors of the economy grew since 1990, some sectors grew faster than others, resulting in a shift in the distribution of employment by sector. Key historical trends included in the 1990 to 2011 period include:

- A substantial increase in the share of employment in non-retail services, which increased from 21% to 39% of covered employment in Tillamook County.
- A decrease in the share of employment in Retail Trade, from 24% to 11%. The number of jobs in retail decreased by 38% (550 jobs) over the 21-year period.
- The number of jobs in manufacturing stayed stable over the 21-year period with no growth in manufacturing. The share of covered employment in manufacturing decreased from 20% to 15%. The type of product made in Tillamook changed over the 21-year period, with an increase in food manufacturing and decrease in employment in wood products manufacturing.
- A decline in the share of employment in Government, which decreased from 24% to 21% of covered employment.

Strength, Weakness, Opportunities, And Threats (SWOT)

Table 11-6 summarizes the results of the SWOT analysis, with the internal assessment of the characteristics of the City and region, and an external assessment to the global, national, regional, and state characteristics.

Table 11-6. Regional SWOT (Strengths, Weaknesses, Opportunities & Threats) Analysis

Strengths <ul style="list-style-type: none"> • Natural resource industries, such as dairy industry, fishing and shellfish industries, and timber (wood products industry / proximity to State Forest), and two Bays; • Comparatively large share of manufacturing employment; • Remote location, but 1.5 hours from the Portland area; • Freight access to Portland and broader markets via Highway 6; • Access to Highway 101 and Oregon Coast tourism; • Port of Tillamook Bay and Tillamook Airport; • High-speed Internet communications via the Lightwave Fiber Optic Ring; • Variety of attractions, including the Tillamook Cheese Factory, Quilt Museum and trail, Tillamook County Water Trail, and Forestry Center; • Moderate climate; • Access to natural areas and related recreational activities (beaches, hiking, kayaking, fishing); • Relatively low cost of living and high quality of life; and • Engaged citizens. 	Weaknesses <ul style="list-style-type: none"> • Vacant commercial and industrial lands in poor locations (e.g., flood-prone areas) or lack urban services; • Lack of infrastructure, such as freight rail service, sewer capacity at the Port, or natural gas; • Traffic impacts from Highway 101 and poorly-maintained local roads; • Distance from I-5 • Limited urban amenity retail; • Limited employment opportunities and low wages and income; • Comparatively small share of residents with a Bachelor's degree or higher; • Lack of diversity in the composition of the regional economy; • Lack of focused strategy or cohesive branding; • Insufficient hotels; • Rainy climate and associated flooding; and • Odor from dairy industry;
Opportunities <ul style="list-style-type: none"> • Attract manufacturing; • Potential for growth in alternative energy industries; • Production of specialty agricultural products (e.g., wasabi or truffles) and non-dairy food processing (e.g. microbreweries); • Cohesive branding strategy; • Development of tourism industry; • Urban renewal; • Redevelop the retail area; • Increased focus on education and retention of young, educated workers. 	Threats <ul style="list-style-type: none"> • Natural disaster (tsunami); • Dairy closures; • Deferred maintenance of infrastructure; • Competition from other communities; • Environmental and land use regulations; • Lack of implementation; • Apathy; and • Slow state-wide recovery from the recession.

Competitive And Comparative Advantages

Economic conditions relative to conditions in other coastal communities form the competitive and comparative advantages for economic development, and have implications for the types of businesses most likely to locate or expand in the City.

The local factors that form the competitive and comparative advantages are summarized below.

- Location and Proximity.
Tillamook is located in a relatively remote area, relative to cities located along the I-5 corridor, but still has an advantageous proximity to Portland. It is located several miles from the Ocean. The lack of ocean views and access is a disadvantage for Tillamook, compared to some of Oregon's coastal cities.
- Access to Transportation.
- Access to Infrastructure.
- Access to Natural resources.
- Tourism and the existing draws for visitors.
- Access to Regional Labor market.
The Region's existing economy is largely dependent on the Tillamook Creamery, which accounts for a substantial amount of manufacturing employment in the Region and attracts nearly one million visitors to the Region annually. Employment in food products manufacturing and animal production account for about one-fifth of employment in the region, much of which is directly or indirectly involved with production at the Tillamook Creamery. The high degree of dependence on one company is an economic weakness for the Region.
- High quality of life.
- Public policy.

Employment and Land Forecasts: How much growth is the Region planning for?

To provide for an adequate supply of commercial and industrial sites, the City needs an estimate of the amount of commercial and industrial land that will be needed.

The range of employment growth for the 2013 to 2033 period is based on the following considerations.

- The low growth scenario shows the Region growing by 969 jobs – an average annual growth rate of 0.64%.
- The medium growth scenario shows the Region growing by 1,710 jobs – an average annual growth rate of 1.00%. This is the most reasonable point forecast and will be used
- The high growth scenario shows the Region growing by 2,545 jobs – an average annual growth rate of 1.38%.

Some types of employment will have higher employment densities (e.g., a multistory office building) and some will have lower employment densities (e.g., a convenience store with a large parking lot).

Employment will require between 58 gross acres and 161 gross acres of land over the 20-year period. The medium forecast shows that 102 gross acres will be needed: 39 acres of industrial land, 56 acres of land for retail and services, and seven (7) acres of land for government uses.

Comparison of Land Capacity and Demand

In all three forecasts, there is sufficient industrial land to accommodate expected growth, without accounting for the desired site characteristics of the target industries.

The key issue is whether there is sufficient commercial land with the necessary characteristics to accommodate expected growth, especially:

- (1) whether there is enough land that is primarily meant for commercial development,
- (2) the location of vacant commercial land, and
- (3) opportunities for commercial development at the Port.

Commercial land within the City of Tillamook.

There are about 29 acres of commercially zoned land within the City, in about 24 sites. Tillamook has one larger commercial site: 17 acres zoned Highway Commercial. In addition, the City has nearly 4 acres of land zoned for Multiple Use Residential, which conditionally allows commercial retail and services not-to-exceed 3,000 square feet per use, and additional 20 acres of land zoned for Light Industrial which allows for a limited scope of commercial uses.

Commercial development in flood-prone areas.

The study by Johnson-Reid in 2010 identified need to relocate some commercial uses within the City of Tillamook from flood-prone areas. The City has approximately seven (7) vacant acres in the floodway. These sites were not considered suitable for the purpose of the inventory, but can still be developed consistent with city regulations.

Location of commercial land.

Much of the unconstrained vacant commercial land in the City of Tillamook is located outside of the City core, north of the City along Highway 101 or in the east of the City along Highway 6. The location of unconstrained vacant commercial land is not ideal if the City wants to concentrate retail and tourism activity in a commercial district in or near downtown. One of the key economic opportunities and potential growth industries is growth of tourism, such as restaurants, hotels, small shops for visitors. More moderately-priced hotels may prefer to locate along Highway 101.

Opportunities for commercial development at the Port.

The Port expects land along Highway 101 to develop with a mixture of commercial and retail uses. This land at the Port used to support commercial development does not replace demand for commercial land in areas, such as downtown Tillamook. Commercial uses at the Port should complement, rather than compete with, commercial uses within the City of Tillamook.

The City, County, Port and other interested parties will need to determine what types of commercial uses are appropriate on the Port site, identifying uses that do not conflict with the City's policies as described in this Chapter.

Characteristics of Needed Sites

The characteristics of land needed to accommodate the targeted industries are based on the

identified need for: 39 gross acres of industrial land and 56 gross acres of commercial land. Site characteristics include, but are not limited to, a minimum acreage or site configuration including shape and topography, viability, specific types or levels of public facilities, services energy infrastructure, or proximity to a particular transportation or freight facility such as rail, marine ports and airports, multimodal freight or transshipment facilities, and major transportation routes. The following summarize the site characteristics for manufacturing and tourism.

Manufacturing

Manufacturing includes a wide-range of businesses, from small-scale specialty manufacturing to wood-products manufacturing to alternative energy producers to large-scale manufactures. Manufacturers will need to locate on land that allows manufacturing, such as land zoned industrial. A key option for manufacturers is locating at the Port of Tillamook Bay's Industrial Park. There is ample supply of industrial land at the Port, with access to sewer, water, and other services, and access to Highway 101, and shipping from the Tillamook Airport. Some businesses may have special site needs that will need to be addressed on a case-by-case basis.

Tourism

Tourism includes a wide-range of businesses, from hotels and motels to restaurants to shops to large-scale attractions. Tourism businesses will require a location in areas where visitors frequent, such as along Highway 101 in Tillamook. Some businesses may prefer a location with a view, such as restaurants or overnight-accommodations, with a site large enough to accommodate the built space needed by the business, employee and customer parking, maintenance or storage yards, and room for expansion of the business. They will need automotive access. Some will require access to Highway 101 or Highway 6 and some may prefer to locate in an area with access to local streets, and will requires sites with high visibility, either along Highway 101, Highway 6, or downtown Tillamook - exposure to traffic and storefront view to the road to attract passing motorists and other customers. Site needs for businesses that provide services to visitors may also have special site needs that will need to be addressed on a case-by-case basis.

Implications For Economic Development: What are the implications of the key economic development issues in Tillamook?

- The City, with the inclusion of the acreage at POTB has enough industrial land to accommodate the forecast for employment growth over the next 20-years.
- After rezoning of properties in the City there will be enough commercial land (current deficit of 3 – 11 acres) within the City's UGB to accommodate commercial growth over the next 20-years.

The challenge is developing approaches to strategically position the land base and infrastructure to capitalize on the comparative advantages and identifying strategic public investments that retain existing businesses and attract new businesses.

The City can plan for growth in employment and increases in income, while retaining the unique and desirable characteristics of the community. Economic development policies and strategies need to be crafted to provide opportunities for types of growth that are consistent with community values, as well as the comparative advantages of Region.

Businesses that need to locate near natural or agricultural resources and/or like the quality of life in Tillamook are the types of businesses that the City should work to grow, attract, or retain.

The primary manufacturing opportunities for the Region build from the existing types of businesses in the Region. Expanding the array of specialty agricultural products grown and processed in the Region builds from the Region's existing businesses and provides opportunities to grow jobs in the Region and increase wealth coming into the Region.

The City and County modified the Urban Growth Management Agreement (UGMA) in 2011 to allow the city to extend wastewater infrastructure to the Port site. Identifying funding sources is the next challenge.

Some industrial lands within the City are unserved because of the prohibitive cost or complexity of providing services to the industrial sites. Options for servicing these sites, removing unserviceable industrial sites from the UGB or using the land for other purposes that do not require urban-level services are open for consideration. In addition, there may be opportunities for redesignation of lands to allow for commercial development.

Visioning for Economic Development

The visions for the economic development are:

- 1) to help Tillamook's existing businesses keep up to date and competitive in the marketplace; and
- 2) to attract the kinds of new businesses necessary to maintain and increase the City's livability.

Large parcel availability, the ability to pay for infrastructure improvements, the connections to city and regional planning goals, and the links to other community development issues all play a role in determining which businesses and industries will continue to develop and prosper in Tillamook. Attention to these factors can enhance the local economy's ability to capture growth in emerging industries. The types of industries identified below are best suited to the City's economic development visions:

- Industries that do not require large parcels of land,
- Industries that create or bring in additional wealth by exporting their goods and services outside the region,
- Industries that provide quality jobs (defined as jobs that pay at least 80% of the regions average wage and provide worker benefits).

Conclusion

It is important to ensure that the right types of land, in terms of lot size, location, services, etc., are available.

The location of older commercial buildings in Tillamook's downtown makes them highly desirable for many types of retail, office, or other commercial uses. Most of them, however, need some remodeling or repair, and bringing these older structures (especially those with masonry construction) "up to code" may be expensive. The extent to which the downtown buildings are redeveloped will have a significant effect on the community's need for commercial land – and on its economy.

This presents the city with a choice: compensate for the weaknesses of some commercial and industrial sites by adding additional parcels to the inventory, or enhance the existing inventory by improving access, developing infrastructure, and, especially, enhancing and redeveloping the downtown. It may seem that “quantity” is the obvious answer, but in fact there are several not-so-obvious problems in planning and zoning much more land for development than is likely to be needed. This is essentially a choice between quantity and quality of buildable land.

The main problem is cost of infrastructure – public facilities, services, and utilities. If “raw land” were all that commerce and industry needed, infrastructure would not be a big issue. But today, commercial and industrial developments need quite an array of services. Most developers will seek developed sites that have suitable water, streets, sewage disposal, storm drains, fire protection, electricity, and so on. If the city plans and zones an excess of land for development, it winds up paying for excess capacity in its service systems.

A second potential problem is often referred to as “sprawl” – the spreading of a city over an unnecessarily large area. For every acre the city plans and zones for commercial and industrial development, an acre of farmland or an acre that could have been used for parks or housing is displaced. Planning an excess of land for development thus may have unforeseen costs.

For such reasons, the “quality” option may be preferable: the city should concentrate its first efforts on making the existing commercial and industrial zoned lands market-ready. Focusing development in and around already existing centers of development may be more suitable for quality economic growth and development.

A potential for reuse and development of the properties west of the City’s core, in the historic area, south of Front Street, north of First Street, between Cedar and Grove, on a block-by-block basis, is the establishment of a concentration of mixed uses - cottage “small-scale” industries, commercial retail, commercial services and residential – known as “Hoquarton Village.” Not only could the area act as an incubator for local starter businesses, but become a tourist destination to discover local talent and rediscover the original City.

The Waterfront Project – Hoquarton Area Plan – will explore the possibilities of redevelopment of the area west of Main Avenue along Hoquarton Slough, and will create a master plan for infill development, redevelopment, and a multi-modal transportation network with development of zoning and development codes that guide desired development.

In addition, the Main Street Program, the Hoquarton Historical Interpretive Center, Front Street Boat Ramp Improvements, Tillamook County Library Park, Tillamook Bike-Skate Park and City branding, and other plans are underway to improve economic conditions in Tillamook.

With all the necessary coordination of the programs and plans of a variety of organizations interested in the revitalization of Tillamook’s town center and waterfront area, and the general plans in place, there is an overwhelming need for synchronization and development of a prioritized action plan that is based on a community-wide strategic process. The following are the common goals developed during initial Tillamook Community Strategic Action Plan meetings in 2014:

- Promote and support public involvement in the decision-making process;

- Managed growth that improves economic viability while maintaining small town character;
- Preserving historic areas, buildings and traditions;
- Improving pedestrian safety and access to City parks and recreation activities;
- More and better City parks and recreation facilities;
- Capitalizing on the opportunities provided with the Highway 101/Highway 6 project;
- Clearly communicating cultural, heritage, parks, projects and opportunities;
- Creating a clean, attractive outdoor environment;
- Creating and maintaining regional partnerships;
- Managing and improving parking access in the downtown area;

The development of additional Specific Area Plans and overlay districts will be considered to support economic revitalization of Tillamook.

Potential Growth Industries

The types of industries that the City wants to attract have the following attributes:

- Living-wage, stable jobs with benefits;
- Jobs requiring skilled and unskilled labor;
- Employers in a range of industries that will contribute to a diverse economy; and industries that are compatible with the Region's community values.

In order for the local business climate to remain healthy and strong, a continued emphasis should be placed upon policies that promote the development of Tillamook as a knowledge-based economy.

Target Industries: What types of business does Tillamook want to attract?

The characteristics of the region will affect the types of businesses most likely to locate in the City. The attributes that may attract firms are comparative advantages: location in the North Oregon Coast, access to Highways 101 and 6, comparative ease of moving freight from Tillamook to Portland, range of businesses in the region, access to natural resources for manufacturing, and high quality of life. The types of businesses that may be attractive include:

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|---|-----------------------------------|
| • Specialty food production. | • Light manufacturing. |
| • Forest products. | • Services for visitors. |
| • Specialty agricultural and forest production. | • Retail and personal services. |
| • Alternative energy production. | • Health services. |
| • Agricultural services and businesses. | • Services for seniors. |
| • Specialty manufacturing. | • Government and Public Services. |

Can some employment growth be accommodated on underutilized land?

Some new employment can be accommodated on underutilized lands, such as vacant buildings or businesses that can make more efficient use of existing office space.

Development of a Knowledge Based Economy

Today's economy is information based and impacts all types of industries in the way business is conducted. E-commerce, Internet communications, on-line marketing and other uses of technology create the capability for "on-the-fly" business transactions. Innovations such as these

permit businesses to cut costs and at the same time be more responsive in how they respond to their markets. Almost every type of business requires these new technologies in order to stay competitive, and with them new skills within the workforce needed to utilize them.

How much land will be required for employment?

The medium forecast of growth of 1,710 new employees will result in the following demand for vacant (and partially vacant) employment land:

- 39 gross acres of industrial land; and
- 56 gross acres of commercial land for retail, services, and government uses.

Does the Central Tillamook Region have enough land to accommodate employment growth?

In all three forecast scenarios, there is sufficient industrial land to accommodate expected growth, without accounting for the desired site characteristics of the target industries. There is a small deficit of commercial land.

Commercial land need is a combination of land for retail and services and government. While it appears that there is enough or nearly enough land to accommodate future growth, it does not tell the full story of employment land sufficiency in the Central Tillamook Region. The key issue is whether there is sufficient commercial land with the necessary characteristics to accommodate expected growth. The specific issues are: (1) whether there is enough land that is primarily meant for commercial development in the Region, (2) the location of vacant commercial land, and (3) opportunities for commercial development at the Port.

- Amount of commercial land. There is an 3-11-acre deficit of commercial land to accommodate expected growth. Some of the large commercial sites, include a 17-acre site in the City and a seven-acre site in the County.
- Location of commercial land. Much of the unconstrained vacant commercial land in the City of Tillamook is located outside of the City core, north of the City along Highway 101 or in the east of the City along Highway 6. The City of Tillamook has seven acres of Highway Commercial located in the floodway north of the city center. While these lands are constrained, they can be developed for commercial uses if they meet the standards in the Tillamook development code.
- The location of unconstrained vacant commercial land is not ideal if the City wants to concentrate retail and tourism activity in a commercial district in or near downtown. One of the key economic opportunities and potential growth industries identified in this study is growth of tourism, such as restaurants, hotels, or small shops for visitors.

Re-Examination of Existing Zone Districts.

For healthy economic development, consideration of incompatible uses needs to occur in conjunction with the review of the City's Zoning Map and the Comprehensive Plan Map. Incompatibility continues to be an issue with pre-existing non-conforming uses and proximity of zone district location.

An option, as mentioned earlier, is to take steps to encourage redevelopment within the downtown area. This would include the Main Street Program, the Hoquarton/Waterfront Project, and similar plans.

It is important for the City, County, Port and other interested parties to engage in a continued

dialog and planning process on multiple projects to determine what types of commercial uses are appropriate on the Port that do not conflict with the City's policies.

To promote economic development in the City, the City needs to identify rezoning properties in the UGB to meet the current deficit of 3 – 11 acres available for commercial development and re-examine incompatible zone districts in the City.

Further Support for the Economy

To support development in the City, the following four areas should apply: 1) promoting an entrepreneurial climate for existing and new businesses, 2) providing a strong public partnership for economic development, 3) rezoning properties so additional land is available for commercial development and 3) ensuring a high quality of life. Specific actions and work products associated with these areas are identified in the policies and future development plans.

Promoting An Entrepreneurial Climate For Existing and New Business

There are some aspects of business development that are required by any company, regardless of size or industry. These include the ability for businesses to keep up to date on standards and practices, having an adequate supply of skilled workers, and being able to connect with and learn from related businesses and experienced entrepreneurs. It also includes strong regional networks that address issues such as capital and links to higher education. While activities are often driven by a partnership of public and private organizations, local government may have an active role in supporting these issues.

Providing A Strong Public Partnership For Economic Development

Attracting any size and type of business also depends on having a set of strong building blocks to form a foundation for business development. These building blocks include having an adequate supply of buildable land to meet projected needs, availability of adequate public facilities and services, and good access via the transportation system. They also include positive support for economic development by public agencies, and a regulatory environment that is conducive to forming or expanding business. The City of Tillamook has a major role in assuring that these building blocks are in place in the Tillamook area.

Ensuring A High Quality Of Life

In addition to issues that affect the direct operations of a business, there are quality of life factors from parks and arts to public safety that are critical to the overall economic environment that attracts and retains business owners and their workforce. Successfully linking economic development with the array of community development efforts will enhance both endeavors.

Goal, Objectives, Policies, and Implementing Procedures for Tillamook City's Economic Development

Goal for Economic Development

To diversify and improve the economy.

Objective No. 1 for Economic Development: To improve the economic vitality of the Tillamook area, and Revitalize the Tillamook City Downtown.

Policies for Objective No. 1 for Economic Development

Policy E-29: The City will promote a revitalized City Center that serves as a Gateway to Commerce supporting residents and tourists in a viable economic and cultural manner.

Implementing Procedures for Policy E-29

- Develop marketing and branding programs to promote tourism and to advertise Tillamook's historical significance.
- Develop a marketing and branding programs to make businesses aware of Tillamook's potential for economic development.

Policy E-30: The Town Center Plan shall include design review standards and criteria and be a commercial overlay district in the City Development Codes. The Plan may compliment early efforts and provide continuity of purpose in terms of color schemes, architectural and design elements and public open space. The Town Center Plan shall layout a template for mixed use development (residential, commercial retail, commercial service, and other uses) that will promote strong economic development in the center of town.

Implementing Procedures for Policy E-30

- The City shall develop and preserve the City Center to retain a small, friendly, relaxed and welcoming environment, and maintain a small town center atmosphere
- The Town Center Land Use Template shall identify business locations in the Town Center that will promote strong economic development in the center of town.

Policy E-31: The City shall explore the desirability and feasibility to providing in the core area, public restrooms, covered walkways and sidewalk amenities, such as trees/shrubs, benches and a public fountain.

Policy E-32: Programs to enhance the Central Business District, such as improving the outward appearance of the existing structures and an overall downtown development plan are desirable to help maintain the economic viability of this area. A special emphasis should be placed on the Town Center development and traffic and parking patterns and problems in the CBD.

Implementing Procedures for Policy E-32

- A Downtown Master Plan for the built environment will include a staging plan for restoring key structures and a remodeling plan for upgrading structures by defined development standards.
- The Downtown Master Plan will include the creation of restoration and remodeling standards to guide a staging plan.
- The Downtown Master Plan for the built environment will include the development of an era design program to provide guidance during the restorative and remodeling effort.
- There shall be design consistency (standards) in design review of the Commercial District.
- The development of additional Specific Area Plans and overlay districts shall be considered to support economic revitalization of Tillamook.
 - The Health Care Overlay District,
 - The Hoquarton Overlay District
- Develop an incentive program for meeting standards (Tillamook City Economic Development Loan Fund).

Policy E-33: Parking in the downtown area is essential. Surface lots shall be focused internally and designed to reinforce a pedestrian oriented streetscape. Perimeter landscape screening will be required for surface parking lots.

Policy E-34: New development and conversions in the central commercial district are encouraged and may be required to provide off-street parking. Generally, elimination of off-street parking requirements shall not take place unless adequate uncommitted parking spaces exist within one block walking distance, or when established off-hour shared arrangements allow double use of available spaces.

Policy E-35: The City shall continue to monitor new commercial development to assure that available parking spaces equal customer demand. The City shall encourage private investors to fund needed parking (by L.I.D., revenue bonds, etc.).

Policy E-36: Expansion of the Central Business District (CBD), including possible rezoning of properties, known as Hoquarton Waterfront, adjacent to Front Street, shall be monitored to identify when it is needed. Recommendations identified in the Hoquarton Area Plan will be taken into consideration when potential expansion of the Central Business District is needed.

Policy E-37: The City shall monitor increased growth and projected future growth of Highway Commercial uses and the need for expansion. Specified Highway Commercial areas at the northern, southern and eastern borders of the City, would provide economic opportunities of:

- a. Increased employment sources, investment and tax revenues of existing and new business activities.
- b. Eliminate the problems of conflicting uses by providing adequate space for highway related uses not suitable for location in other areas of the City.
- c. Maintaining and increasing tourist trade revenues.
- d. Providing a social focal point such as a highway rest/wayside in conjunction with Chamber of Commerce informational activities.
- e. Providing additional land area for location and expansion of new and existing businesses.
- f. Centralized Highway Commercial uses to maximize energy conservation techniques and minimize travel time.
- g. Provide for possible location of a Retreat Center complex.

Policy E-38: The location of businesses of all classes and types (restaurant, retail, hotel, specialty services, financial, insurance, real estate, manufacturing, health care, etc.) shall be examined carefully and incorporated into the site selection process. The classes and types of businesses and/or services that require large land areas are to be encouraged to locate in the Highway Commercial area, and shall include motels, restaurants, auto sales and repair, commercial recreation, service stations, garden/farm supply stores, nurseries, home furnishings, retail lumber, and other retail and wholesale establishments. The classes and types of businesses and/or services that are pedestrian-oriented, and will fit into the mixed-use downtown core, and can preserve and enhance the historic buildings and character of the key historic period of the Town Center are encouraged to locate in the Town Center area.

The classes and types of businesses and/or services that do not require large spaces and can serve nearby residents conveniently are encouraged to locate in the Neighborhood Commercial area.

Policy E-39: Tillamook City must have a distinctive identity heralded by its well-recognized five Gateways, and shall provide "City Gateways" at the five (5) major street entrances to the City of Tillamook: Trask River Bridge, Wilson River Bridge, Port of Tillamook Bay RR Bridge on Highway 6, South Highway 101 Divider Island at Main & Pacific, the Hoquarton Crossing on 101, and enhance the Gateways image by distinctive signage, lighting & landscaping. Each "Gateway" and City entrance shall include current City population. The City additionally shall develop and include appropriate commerce signage for each Gateway that identifies the Downtown Commercial District. The City should examine the possibility of Native American art to greet motorists at the Hoquarton Crossing Gateway.

Policy E-40: The City shall encourage the development of a tourist wayside-rest area along Highway 101 North and Highway 6, and shall coordinate with Tillamook City service clubs to acquire and develop such facilities.

Objective No. 2 for Economic Development: To create more and better jobs in Tillamook, to raise per capita income, and to have the resulting wealth be retained and reinvested in the community so as to create a better quality of life for all.

Policies for Objective No. 2 for Economic Development

Policy E-41: The City will encourage a downtown development plan, including site selection process for the location of businesses of all classes and types, the Hoquarton Area Plan, and possible rezoning of properties and the development of Hoquarton Village adjacent to Front Street, with implementation strategy to guide the creation of a viable business organization, a restructured economic market mix of commerce in the City Center and a design initiative which refreshes and underscores the pedestrian-friendly, livable aspects of the City Center. To support business development through targeted land (re)development, and adequate infrastructure, the City shall develop business districts that are accessible and provide job and business opportunities as described in the EOA.

Implementing Procedures for Policy E-41

- Work with civic and business leaders to create a redevelopment master plan for Tillamook's central commercial district and Town Center to make the downtown more attractive to shoppers and businesses. This master plan should address matters such as street furniture, street trees, lighting, pedestrian circulation, parking, murals, public art, refurbishing of storefronts, and restoration of older buildings. The Town Center Plan, shows how the downtown could look if such a plan were developed and implemented.
- The Downtown (Central Commercial Core) business mix should effectively support residential markets first and tourism markets second and be the backbone of a business and service center for the City and the area.
- The City shall require a high quality of new development within the City to create an attractive environment.
- The City shall recognize and actively engage the growing cultural diversity in Tillamook.

Policy E-42: The Community and the government shall encourage the retention of the downtown business district as the primary shopping, service and financial center for the City of Tillamook area.

Implementing Procedures for Policy E-42

- Support the downtown revitalization effort.

Policy E-43: The City shall investigate municipal means as well as encourage downtown business attempts, to form improvement districts or other financial means of enhancing the vitality of the central commercial area. Such attempts shall not be limited to parking improvements, but shall also focus on use of second story buildings, attractive shops and public attraction areas and the providing of adequate downtown apartment housing.

Implementing Procedures for Policy E-43

- Downtown stakeholders shall strive to build a better revitalization network. Stakeholders include, but are not limited to: the Resident Shopper, the Resident Non-Shopper, City Service Organizations, Tillamook Chamber of Commerce, Tillamook City Council, Tillamook City Administration, Tillamook County Commissioners, Tillamook County Administration, Tillamook Revitalization Association, utility providers, and others.
- Blend and coordinate stakeholders who are involved with the Downtown's future to include, but not be limited to: the Resident Shopper, the Resident Non-Shopper, City Service Organizations, Tillamook Chamber of Commerce, Tillamook City Council, Tillamook City Administration, Tillamook County Commissioners, Tillamook County Administration, Tillamook Revitalization Association, utility providers, and others.
- Promote partnerships between local civic and business groups and local government that will enhance a welcoming environment and a more visually pleasing downtown through a recognition / reward program and nuisance ordinances, and increase the networks and connections among Tillamook businesses and with other regional, state and global businesses.
- The Tillamook Community Strategic Action Plan will provide a basis for the coordination of the programs and plans, business stakeholders and shareholders, for the development of downtown.
- The City of Tillamook is to provide leadership and coordination in developing public use, focal-point areas within the City Center.

Policy E-44: The leadership focusing on the downtown development will place ongoing emphasis on restoration and remodeling where appropriate.

Implementing Procedures for Policy E-44

- Foster a climate, which promotes a physically safe environment that is pedestrian-friendly.
- The City government and utility providers shall actively support and participate in the creation of a viable business mix, the location of businesses of all classes and types, and a pedestrian-friendly and livable City Center.
- The City government shall encourage economic diversity through business recruitment that is specific and value-driven by quality and service.

Policy E-45: The City shall recognize and preserve community heritage. Historic buildings and other features shall be preserved and renovated, and a touring program to visit sites of community heritage shall be pursued.

Implementing Procedures for Policy E-45

- Develop and conduct a touring program to visit sites of community heritage.
- Identify and inventory the community heritage sites.
- Identify and preserve, with legal language, the City's historic buildings.

Policy E-46: The City shall support an active Economic Development Advisory Committee and shall work with that committee, the Port of Tillamook Bay, the County, the Chamber of Commerce and other entities to:

- interest tourists in year round visits to Tillamook;
- use existing timber resources in local wood products manufacturing;
- increase local marine food processing;
- attract appropriate manufacturing concerns to the Tillamook area;
- support public facilities including water, sewer and parking to handle the planned growth;
- monitor changes in employment, population, retail sales, etc., in order to bring information up to date and be able to make adequate choices as development alternatives become available;
- focus key civic uses in the Town Center Area.

Policy E-47: The City shall encourage effective business diversity to be in place, and recognize and actively engage in the growing cultural diversity in Tillamook. Economic development policies and strategies need to be crafted to provide opportunities for types of growth that are consistent with community values, as well as the comparative advantages of Region.

Policy E-48: The City shall maintain an adequate supply of buildable commercial and industrial lands suitable for businesses and industries likely to locate in Tillamook.

Policy E-49: The City shall protect designated commercial and industrial lands from conflicting uses by applying appropriate zoning and land development ordinances.

Policy E-50: The City shall work to ensure that buildable commercial and industrial lands are market-ready, with access, infrastructure, and permit needs capable of being met at key sites within six months of receiving a proposal for development. To enable businesses to easily start or expand their enterprise, the city processes required to start or expand a business shall be streamlined, and regulations and codes consistent with and complementary to one another shall be ensured to be easy to understand and implement.

Policy E-51: Realizing the importance of industry to the economic stability of the community, it is desirable to encourage and aid in the improvement and well-located industrial development. Businesses that need to locate near natural or agricultural resources and/or like the quality of life in Tillamook are the types of businesses that the City should work to grow, attract, or retain.

Implementing Procedures for E-51

- Existing industry is encouraged to expand in the Tillamook City area.

- Additional light and heavy industries are needed to help diversify and balance the fiscal effects of the Community's growth in the Tillamook City area.
- Suitable locations for heavy industry exist at the Port of Tillamook Bay industrial park and in several light industrial sites lying to the east and north in the Urban Growth Boundary area.
- New industry would provide increased employment source, investment and tax revenues in the Tillamook City area.
- To foster entrepreneurial networks promoting innovative and healthy businesses in Tillamook, The City should promote the development and expansion of innovative businesses in targeted industry clusters.

Policy E-52: The City shall promote and encourage greater use of Port of Tillamook Bay for industrial uses. The vast majority of the Region's employment land supply is at the Port of Tillamook Bay, with about 500 acres of vacant industrial land.

Policy E-53: The City shall participate in a countywide economic development program to recruit industry appropriate for the area, and should follow the recommended Implications for Economic Development as described in the Regional Economic Opportunity Analysis. The EOA shall be used to provide the factual basis for subsequent policy work to update this plan.

Policy E-54: The City shall work with key state and federal agencies to promote local economic objectives and to seek financing for economic development programs and projects. The City, County, and Port should:

- Consider local preferences for growth.
- Build from the Region's strengths.
- Capitalize on opportunities to grow manufacturing.
- Address service deficiencies on industrial land.
- Work together to create a coordinated framework for regional implementation of economic development strategies.
- Concentrate manufacturing growth at key sites.
- Identify opportunities for commercial land infill and redevelopment.
- Grow overnight tourism.

Policy E-55: The City shall work with Tillamook County to protect and support the agricultural lands that surround Tillamook for commercial agricultural production. Businesses that support agricultural resources are the types of businesses that the City should work to grow, attract, or retain.

Implementing Procedures for E-55

- Encourage and maintain cultural events related to the rural, agricultural heritage and traditions of this community.

Policy E-56: The economic vitality of the Tillamook area should be encouraged by attracting new, diverse employers, and the City shall work closely with the County Economic Development Council in attracting new industry to the area and new commercial, residential and civic uses to the Town Center area.

Policy E-57: The City should work with key stakeholders, such as the County, the Port of Tillamook Bay or the Tillamook County Economic Development Council, to ensure that

businesses have the infrastructure and inputs (e.g., available built space) they need to succeed.